

ATTACHMENT B

RECEIVED

DOGM Certificate of Deposit

JAN 28 1994

Current Date

DIVISION OF
OIL, GAS & MINING

First Interstate Bank of Utah
Main Office
175 South Main Street
Salt Lake City, UT 84101

Attention:

Re: Certificate of Deposit for Trixie Shaft Area, South Standard Mining Company,
M/049/024, Utah County, Utah

This is in regards to regulatory requirements of the mining statute and rules of the State of Utah, Division of Oil, Gas and Mining, governing the operations and reclamation of the Trixie Mine, Permit Number M/049/024, operated by South Standard Mining Company.

A Certificate of Deposit will be issued by First Interstate Bank of Utah for \$39,500.00 and be automatically renewable upon expiration. The Certificate should be made out in the name of the State of Utah, Division of Oil, Gas and Mining. The interest earned by the Certificate of Deposit for the first three months will be added back on to the Certificate of Deposit. After that, the interest earned will be dispersed quarterly and deposited into South Standard Mining Company's account. If the Certificate is redeemed before the maturity date and the penalty reduces the face value of \$39,500, the State of Utah, Division of Oil, Gas and Mining will go to South Standard Mining Company for reimbursement of that loss. If redeemed after the maturity date, then \$39,500 will go to the State of Utah, Division of Oil, Gas and Mining and the remaining balance will go to South Standard Mining Company's account. The Certificate of Deposit can only be redeemed by the State of Utah, Division of Oil, Gas and Mining.

If the statute or rules of the State of Utah, Division of Oil, Gas and Mining are violated with respect to the operation or reclamation of the Trixie Mine covered by this surety, the State of Utah, Division of Oil, Gas and Mining has the authority to call the Certificate on demand, for the full amount of \$39,500. Any loss due to an early redemption penalty will be the responsibility of South Standard Mining Company and will not be the expense or responsibility of the State of Utah.

The Division Director's signature, James W. Carter (or the appropriate Division Director at that time), will be required to call the Certificate or release said funds back to South Standard Mining Company.

First Interstate Bank of Utah will not be held liable for any dispute between the parties. These rules pertain to the Certificate of Deposit Number:

Agreed upon by:

James W. Carter, Director
Division of Oil, Gas and Mining

Murray Ruby, Authorized Agent
South Standard Mining Company

Tax I.D. Number: 87-6000545

Tax I.D. Number: _____